

RECEIVED

2013 JAN -7 PM 2: 47



Avista Corp.
1411 East Mission P.O. Box 3727
Spokane, Washington 99220-0500
Telephone 509-489-0500
Toll Free 800-727-9170

IDAHO PUBLIC
UTILITIES COMMISSION

January 4, 2013

Jean D. Jewell, Secretary
Idaho Public Utilities Commission
Statehouse Mail
W. 472 Washington Street
Boise, Idaho 83720

Dear Ms. Jewell:

Avista Utilities submits for approval by the Commission the original and seven copies of its **"Application of Avista Corporation to Approve Agreement Allocating Territory with Kootenai Electric."** This submittal is pursuant to the Idaho Electric Supplier Stabilization Act (I.C. § 61-332 *et. seq.*).

Please direct any questions on this matter to Susan Baldwin at (208) 769-1340 or myself at (509) 495-4975.

Sincerely,

A handwritten signature in black ink that reads "Linda Gervais". The signature is fluid and cursive, with the first name "Linda" and last name "Gervais" clearly distinguishable.

Linda Gervais
Manager, Regulatory Policy
State and Federal Regulation
Avista Utilities
509-495-4975
linda.gervais@avistacorp.com

cc: Susan Baldwin
Catherine Bryan

RECEIVED

2013 JAN -7 PM 2:47

IDAHO PUBLIC
UTILITIES COMMISSION

PATRICK EHRBAR
MANAGER, RATES AND TARIFFS
AVISTA CORPORATION
P.O. BOX 3727
1411 EAST MISSION AVENUE
SPOKANE, WASHINGTON 99220-3727
TELEPHONE: (509) 495-8620
EMAIL: pat.ehrbar@avistacorp.com

NEW CASE

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)
OF AVISTA CORPORATION TO APPROVE)
AGREEMENT ALLOCATING TERRITORY)
WITH KOOTENAI ELECTRIC COOPERATIVE)

13-01
CASE NO. AVU-E-~~12~~-__

APPLICATION OF AVISTA CORPORATION

1

I. INTRODUCTION

2 Avista Corporation, doing business as Avista Utilities (hereinafter Avista or
3 Company), at 1411 East Mission Avenue, Spokane, Washington, respectfully requests that
4 the Commission approve the enclosed Developer Release Agreement (Exhibit A) with
5 Kootenai Electric Cooperative (hereinafter referred to as Kootenai Electric) and Copper
6 Basin Construction ("Developer"), sometimes hereinafter referred to individually, as a
7 "Party", and collectively, as the "Parties".

8 The Parties have entered into an agreement pursuant to the Idaho Electric Supplier
9 Stabilization Act) "IESS", Idaho Code §§ 61-332 et seq.

10 The Company requests that this filing be processed under the Commission's Modified
11 Procedure rules.

12 Communications in reference to this Application should be addressed to:

13 Patrick Ehrbar
14 Manager, Rates and Tariffs
15 Avista Corporation
16 P.O. Box 3727
17 1411 E. Mission Avenue, MSC- 27
18 Spokane, WA 99220-3727
19 Phone: (509) 495-8620
20 pat.ehrbar@avistacorp.com
21

Linda Gervais
Manager, Regulatory Policy
Avista Corporation
P.O. Box 3727
1411 E. Mission Avenue, MSC-27
Spokane, WA 99220-3727
Phone: (509) 495-4975
linda.gervais@avistacorp.com

22

II. BACKGROUND

23 Cooper Basin Construction is in the process of developing a commercial/multi-family
24 development located at Seltice Way and Grand Mill Avenue, in Coeur d'Alene, Idaho (the
25 "Development"). Avista has electric service rights on the north and east sides of the
26 Development as well as electric service rights at the service point on the west side of the
27 Development, and Kootenai Electric has electric service rights on the south and southwest
28 side of the Development. Because this is a commercial/multi-family, multiple building

1 project, electric service rights to each structure are governed by the IESS. However, the
2 Developer desires to enter into an electric extension agreement with Avista, only, to install
3 electric distribution facilities ("Facilities") throughout the Development and to receive
4 electric service.

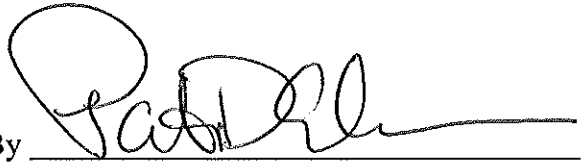
5 Allowing Avista to install the Facilities and provide electric service to the entire
6 Development will: (i) create cost efficiencies for both Parties by avoiding duplication of
7 service; (ii) create cost efficiencies to the Developer by eliminating the need to coordinate
8 work with both utilities; (iii) create safer working conditions for utility crews if the work is
9 coordinated by one utility; and (iv) create electric service continuity within the Development
10 resulting in a better opportunity for overall customer satisfaction. In addition, as an electric
11 and natural gas customer of Avista, Developer will be eligible for Avista's Demand Side
12 Management (DSM) program, resulting in the installation of more energy efficient
13 equipment.

14 Because it is in the best interest of all parties involved, Kootenai Electric has agreed
15 to release its rights to provide electric service to those structures within the Development that
16 are being constructed closer to Kootenai's service points to Avista, and Avista has agreed to
17 install the Facilities and provide electric service to and within the Development per the terms
18 of the Developer Release Agreement.

19 WHEREFORE Avista respectfully requests the Commission approve the "Developer
20 Release Agreement". Avista believes that the Agreement is in the best of the Customer; it
21 will avoid duplication of facilities, avoid disputes between parties, and provides the
22 consumer with the best possible service. The Company requests this application be processed
23 under Modified Procedure.

1
2 DATED at Spokane, Washington, this 4th day of January, 2013.
3

4 AVISTA CORPORATION

5
6
7 By 

8 Patrick Ehrbar

9 Manager, Rates and Tariffs

STATE OF WASHINGTON)

: ss

County of Spokane)

Patrick Ehrbar, being duly sworn, on oath deposes and says:


That he is the Manager of Rates and Tariffs at Avista Corporation;

That he has read the foregoing Application, knows the contents thereof, and believes the same to be true.



Patrick Ehrbar

Subscribed and sworn to before me this 4th day of January, 2013.



Notary Public in and for the State
Washington, residing in Spokane



DEVELOPER RELEASE AGREEMENT

This Developer Release Agreement ("Agreement") is entered into between Avista Corporation ("Avista") and Kootenai Electric Cooperative, Inc. ("Kootenai Electric"), sometimes individually, a "Party", and collectively, the "Parties".

Background and Purpose: Copper Basin Construction ("Developer") is in the process of developing a commercial/multi-family development located at Seltice Way and Grand Mill Avenue, in Coeur d'Alene, Idaho (the "Development"). In accordance with the Idaho Electric Supplier Stabilization Act ("IESS"), Avista has electric service rights on the north and east sides of the Development as well as electric service rights at a service point on the west side of the Development, and Kootenai Electric has electric service rights on the south and southwest side of the Development. Because this is a commercial/multi-family, multiple building project, electric service rights to each structure are governed by the IESS. However, Developer desires to enter into an electric extension agreement with Avista, only, to install electrical distribution facilities ("Facilities") throughout the Development and to receive electric service.

Allowing Avista to install the Facilities and provide electric service to the entire Development will: (i) create cost efficiencies for both Parties by avoiding duplication of service; (ii) create cost efficiencies to the Developer by eliminating the need to coordinate work with both utilities; (iii) create safer working conditions for utility crews if the work is coordinated by one utility; and (iv) create electric service continuity within the Development resulting in a better opportunity for overall customer satisfaction. In addition, as an electric and natural gas customer of Avista, Developer will be eligible for Avista's Demand Side Management program, resulting in the installation of more energy efficiency heating equipment.

Because it is in the best interest of all parties involved, the Developer, Kootenai Electric and Avista, Kootenai Electric agrees to release its rights to provide electric service to those structures within the Development that are being constructed closer to Kootenai's service points, to Avista, and Avista agrees to install the Facilities and provide electric service to and within the Development, subject to the terms of this Agreement. **Therefore the Parties agree as follows:**

1. Kootenai permanently releases its right to provide electric service to structures being constructed closest to its service points on the south and southwest side of the Development.
2. Avista will install the Facilities to and within the Development in accordance with its Line Extension Tariff approved by the Idaho Public Utilities Commission ("Commission", and provide electric service to the structures within the Development.
3. Avista will prepare and submit the application for approval of this Agreement with the Commission and Kootenai Electric shall join in or otherwise cooperate in the application; provided, however, that both Parties shall support this allocation of electric service rights with the Parties' existing customers.
4. Avista will prepare and submit an application for approval of this Agreement before the Commission and Kootenai will join in or otherwise cooperate in such application. Both Parties will support this Developer release and associated electric service rights with their existing customers.
5. In the event the Commission does not approve the Developer release and associated electric service rights described in this Agreement, then this Agreement will be void ab initio, and the Parties will renegotiate an agreement that is ultimately acceptable to the Commission.
6. If approved by the Commission, this Agreement will be binding upon the Parties, their successors and/or their assigns.

Avista Corp.
East 1411 Mission Ave.
Spokane, WA 99202



This Agreement has been executed by each Party's authorized representative as of the date(s) set forth below.

Avista Corporation

(Signature)

Greg Geller

(Printed Name)

Director Operations

(Title)

11/24/12

(Date Signed)

Kootenai Electric Cooperative, Inc.

(Signature)

Douglas A. Elliott

(Printed Name)

General Manager

(Title)

12/4/2012

(Date Signed)

Agreement of Copper Basin Construction

The undersigned acknowledges and represents that they have reviewed the foregoing Agreement between Avista and Kootenai Electric, for Kootenai to release its right to provide electric service to certain structures within the Development, to Avista, and for Avista to assume electric service rights to the entire Development; approves of its content; and signs this Agreement voluntarily as their own free act and deed, fully intending to be bound by same.

Copper Basin Construction

(Signature)

GREG GERVAIS

(Printed Name)

V-P

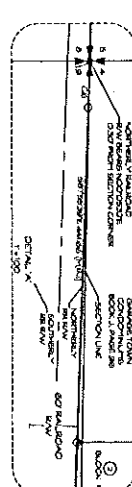
(Title)

11/14/12

(Date Signed)

BOOK 7, PAGE 249
#1984275

BOOK 7, PAGE 249
#1984275



LINE - ANGUS		
LINE	LENGTH	BEARING
1	60.510	80704.27W
2	30.521	80775.91W
3	30.517	80704.27W

REFERENCE DOCUMENTS

PLAT OF MILL RIVER FIRST ADDITION PREPARED BY LAZAR CITY ENGINEERING, INC. AND RECORDED IN BOOK J OF PLATS, PAGE 222, RECORDS OF ADAMS COUNTY, IDAHO.

DRAWN BY: AJP	DATE: 6/5/05	SCALE: 1" = 20'
CHECKED BY: DES	DATE: 6/5/05	PLT SPEC: 060820COMPLANTDWO

SHEET 1
OF
2 SHEETS

Project Territory Map

